Education Loan Scheme

*132. SHRI YADLAPATI VENKAT RAO: Will the Minister of FINANCE be pleased to state:

(a) whether Syndicate Bank has introduced a new Educational Loan Scheme to enable poor and meritorious students to pursue higher education;

(b) if so, the maximum amount a student will get under the scheme at graduation level; and

(c) what are the other features of the scheme?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) Yes, Sir. The new educational loan scheme circulated by RBI vide its circular dated 28.4.2001 was launched for implementation by the Syndicate Bank's branches in the month of May, 2001.

(b) and (c) The new scheme envisages loans upto Rs. 7.5 lakhs for studies in India and upto Rs. 15 lakhs for studies abroad. The new scheme will cover all type of courses in schools and colleges in India and abroad and the students may avail of the loans from this academic session itself. For loans upto Rs. 4 lakhs, no collateral or margin is required and the interest rate is not to exceed the Prime Lending Rates (PLR). For loans above Rs. 4 lakhs, the interest will not exceed PLR plus 1 per cent. The loans are to be repaid over a period of 5 to 7 years with provision of grace period of one year.

Branches of Himachal Rural Bank

†*134. SHRI KRIPAL PARMAR: Will the Minister of FINANCE be pleased to state:

(a) the action taken in respect of the opening up of the branches of Himachal Rural Bank after the Gazette notification of the Government of India dated 18th April, 2000, regarding expansion of the branches of the bank in Hamirpur (Himachal Pradesh) Parliamentary Constituency;

(b) whether the Reserve Bank of India has received applications for granting license for opening the branches by the bank;

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†Original notice of the Question was received in Hindi.